

Statistics Canada

Thursday, August 26, 1999 For release at 8:30 a.m.

MAJOR RELEASES

- Estimates of principal field crops production, July 31, 1999
 Canola production will surpass the record set in 1998 according to pre-harvest reports from producers. Total wheat production will increase slightly with a significant decline in production of durum wheat and an offsetting increase in spring wheat. The production of most other major crops is expected to remain at or below last year's levels.
- Farm cash receipts, January to June 1999
 Farm cash receipts for the first six months of 1999 fell for the third consecutive year in the wake of declining receipts from both crops and livestock. Between January and June 1999, farmers received \$14.4 billion from agricultural commodities and program payments, down 1.9% from the first half of 1998. This level was 2.3% above the average for the five-year period between 1994 and 1998.

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MAJOR RELEASES

Estimates of principal field crops production

July 31, 1999

Canola production will surpass the record set in 1998 according to pre-harvest reports from producers. Total wheat production will increase slightly with a significant decline in production of durum wheat and an offsetting increase in spring wheat. The production of most other major crops was expected to remain at or below last year's levels.

On a national level, yields for major crops were expected to be better than last year and their recent five-year averages for 1994 to 1998. On a provincial basis, however, Manitoba farmers reported that yields for most major crops were expected to be lower than last year. In contrast, Saskatchewan farmers reported yields that promised to be much better than in 1998 and better than average for all major crops.

July crops production

	1998	1999	1998 to 1999
	millions of to	onnes	% change
Total wheat	24.4	25.0	3
Spring wheat	16.8	19.4	16
Barley	12.7	12.7	0
Canola	7.6	8.3	9
Durum wheat	6.1	3.9	-36
Oats	4.0	3.5	-13
Field peas	2.3	2.1	-9
Flaxseed	1.1	1.1	0

Second consecutive record for canola production expected

A new record canola production of 8.3 million tonnes will break the previous record of 7.6 million tonnes set in 1998. The 9% rise is due to a harvested area of 13.7 million acres, up 300,000 acres (+2%) from the 13.4 million acres harvested last year. In addition, favourable growing conditions are encouraging a record yield of 26.6 bushels per acre, higher than the recent five-year average yield of 23.8 bushels per acre. This trend is visible in all producing provinces, with the exception of Manitoba and British Columbia. These two provinces showed reduced yields and lower harvested area for canola this year.

Note to readers

The July crops survey of 17,800 farm operators was conducted by telephone interviews between July 28 and August 5. Farmers were asked to report their seeded areas, harvested areas and yields of major grains and oilseeds.

Production of durum wheat cut by more than one-third

Durum wheat production will reach 3.9 million tonnes in 1999, a drop of 2.2 million tonnes from the 1998 level of 6.1 million tonnes. Reported yields were 33.2 bushels per acre, 2.2 bushels per acre more than last year. The five-year average yield for durum wheat is 31.3 bushels per acre. The crop will be harvested on 4.3 million acres, 40% lower than the 7.2 million acres harvested in 1998. The five-year average for harvested area is 5.7 million acres. Growers of durum wheat in the Prairie provinces responded to lower projected prices by reducing the area they planted this year.

Spring wheat production rebounding to more average levels

Spring wheat production will reach 19.4 million tonnes this year, an increase of 2.6 million tonnes (+16%) from the 16.8 million tonnes last year. The recent five-year average production is 19.2 million tonnes. Harvested area has expanded to 20.2 million acres, an increase of 1.8 million acres (+10%) from 1998. Yield was reported to be 35.3 bushels per acre, an increase of 1.7 bushels per acre from last year. The five-year average yield is 33.0 bushels per acre.

Winter wheat production in Ontario will hit a new record

Winter wheat production in Ontario is poised to reach a new record of 1.4 million tonnes, a 16% increase from last year on the same harvested area of 710,000 acres. Farmers reported yields of 72.5 bushels per acre, 9.8 bushels per acre more than last year. This will break the old yield record of 69.8 bushels per acre set in 1995.

Available on CANSIM: matrices 1025-1043, 1046-1051, 1408-1410, 3541-3565 and 5685.

Field crop reporting series no. 5: July 31 estimates of production of principal field crops, Canada (22-002-XPB, \$15/\$88) is now available. See How to order publications.

For more information, or to enquire about the concepts, methods and data quality of this

release, contact David Burroughs (613-951-5138; dave.burroughs@statcan.ca) or Oliver Code (613-951-8719; codeoli@statcan.ca), Crops Section, Agriculture Division.

Farm cash receipts

January to June 1999

Farm cash receipts for the first six months of 1999 fell for the third consecutive year in the wake of declining revenue from both crops and livestock.

From January to June 1999, farmers received \$14.4 billion from agricultural commodities and program payments, down 1.9% from the first half of 1998. However, this level was 2.3% above the \$14.0 billion average for the five-year period between 1994 and 1998. The record high in farm cash receipts for the first six months of a year was \$14.8 billion in 1996.

Crop receipts declined 5.1% to \$6.7 billion, which was 0.9% below the previous five-year average for the same period. Prices for most grains and oilseeds have dropped to the lowest levels since 1994.

Livestock receipts fell a slight 0.9% from 1998 to \$7.0 billion, due mainly to lower hog prices. However, livestock receipts for the first half of 1999 were 5.0% higher than the previous five-year average.

Program payments reached \$679 million, up 25.5% from the previous year, as payments under the Net Income Stabilization Account (NISA) in 1999 were triggered by lower farm income in 1998.

Saskatchewan farmers recorded the biggest decline in farm cash receipts in the first six months this year (-9.5%), followed by producers in Alberta (-5.0%) and Ontario (-0.9%). Levels in Nova Scotia remained virtually unchanged. Increases in the other provinces ranged from 0.8% in Manitoba to 12.3% in Prince Edward Island.

Lower prices for grains and oilseeds responsible for declining crop revenues

Cash receipts for canola declined 27.4% to \$795 million. The drop of \$301 million was the largest decrease in terms of absolute dollars. A combination of lower deliveries (-15.6%) and prices (-14.1%) was responsible. The bulk of the 1998 canola crop was delivered between August and December 1998.

Farm cash receipts for soybeans declined 33.1% to \$240 million as deliveries fell 16.8% and prices dropped 19.6%. The abundance of oilseed products on the world market sent prices tumbling in early 1999.

Durum wheat receipts declined a significant 26.4% to \$388 million. The decrease in prices (-38.4%) far outweighed the growth in deliveries (+22.9%) as farmers marketed a record crop. Large world wheat supplies continued to push prices lower.

Barley receipts declined 27.7% to \$250 million in the wake of lower deliveries and prices. Barley receipts

Note to readers

Farm cash receipts measure the gross revenue of farm businesses in current dollars. They include sales of crops and livestock products (except sales between farms in the same province) and program payments. They also include Canadian Wheat Board and Ontario Wheat Producers' Marketing Board payments and deferred grain receipts. Program payments measure the value of cheques issued to farmers to compensate lower production or income caused by extreme climatic or market conditions, usually under ongoing programs jointly funded by farmers and federal or provincial governments.

Farm cash receipts included in this release are not directly comparable with the total gross farm receipts in the 1996 Census of Agriculture publications. The data presented in this release exclude the value of agricultural products (livestock and poultry, seed and seedlings, and feed) sold from one farm to another farm within the same province, whereas the Census of Agriculture data include these inter-farm transactions.

were also 40.1% below the previous five-year average. Abundant world supplies of feed grains, due in part to bumper corn harvests in the United States, put downward pressure on prices over the last three years.

On the positive side, farm cash receipts for corn increased 33.6% to \$374 million. A record corn crop sustained deliveries (+62.5%) which more than offset a drop in prices (-17.8%).

Cash receipts for potatoes rose 12.7% to \$384 million, fuelled by the growing demand for frozen french fries in both Canada and the United States. Prices increased 13.7% while deliveries fell a marginal 0.9%.

Lower hog prices continued to depress livestock receipts

Lower hog prices continued to drag down livestock receipts in the first half of 1999. Cash receipts of hog producers reached \$1.1 billion, down 9.9% from the first half of 1998, the largest decrease in the livestock industry. Hog marketings were up 11.9% while prices were down 19.4%. Analysts had expected to see a decrease in the U.S. sow herd this spring. However, that did not occur, and prices remained lower than anticipated.

Cattle and calf receipts remained virtually unchanged at \$2.7 billion. A reduction in the number of cattle on the market was offset by higher prices. The contraction phase of the cattle cycle continued into the first half of 1999.

The supply-managed sectors experienced relatively stable market conditions and inexpensive feed costs. Dairy products recorded the largest gain in revenue for livestock, a 3.9% increase to

almost \$2.0 billion compared with the first half of 1998. Market share quota increased 4.2% in August 1998 as demand for milk products continued to rise.

Direct program payments increased

Program payments to farmers reached \$679 million during the first half of 1999, up 25.5% from the same period a year earlier. During the last decade, program payments for the first half of the year ranged from \$464 million in 1996 to \$2.3 billion in 1992.

NISA payments grew 107.6% to \$191 million, reflecting lower farm income in 1998 and improvements in the delivery and administration of this program.

Payments to farmers from "other programs" reached \$127 million during the first half of 1999, up \$91 million from a year earlier. Contributing to this increase were payments made under the new Agricultural Income Disaster Assistance Program and its related provincial programs, the Market Revenue Program in Ontario and ice storm programs in Quebec.

Farmers in all provinces except three benefited from larger program payments. The largest increases occurred in Prince Edward Island (+152.7%), Nova Scotia (+79.7%) and Ontario (+73.7%). Fewer program payments were received by farmers in Newfoundland (-29.8%), British Columbia (-9.7%) and New Brunswick (-5.4%).

Available on CANSIM: matrices 3582-3592.

The January-June 1999 issue of Farm cash receipts (21-001-XIB, \$15/\$48) will be available shortly. See *How to order publications*.

For more information, or to enquire about the concepts, methods and data quality of this release, contact Martin Beaulieu (613-951-6357; martin.beaulieu@statcan.ca), Agriculture Division.

Farm cash receipts

	Jan.	Jan.	JanJun.	April	April	April-June
	to	to	1998	to	to	1998
	June	June	to	June	June	to
	1998	1999 ^p	JanJun.	1998	1999 ^p	April-June
			1999			1999
	\$ million	s 	% change	\$ million	ns	% change
Canada	14,658	14,373	-1.9	6,833	6,630	-3.0
All wheat ¹	1,797	1,591	-11.5	789	615	-22.1
Wheat excluding durum ¹	1,270	1,203	-5.3	574	452	-21.3
Durum wheat ¹	527	388	-26.4	215	164	-23.7
Barley ¹	346	250	-27.7	158	107	-32.3
Deferments	-285	-86	-69.8	-125	-43	-65.6
Liquidations of deferments	974	920	-5.5	-	-	-
Canola	1,095	795	-27.4	506	329	-35.0
Soybeans	359	240	-33.1	175	85	-51.4
Corn	280	374	33.6	131	146	11.5
Other cereals and oilseeds	223	201	-9.9	79	92	16.5
Other crops	2,242	2,388	6.5	1,258	1,345	6.9
Total crops	7,032	6,673	-5.1	2,971	2,677	-9.9
Cattle and calves	2,670	2,681	0.4	1,369	1,369	-
Hogs	1,214	1,094	-9.9	626	582	-7.0
Dairy products	1,899	1,974	3.9	960	989	3.0
Poultry	777	762	-1.9	403	392	-2.7
Other livestock	525	510	-2.9	227	221	-2.6
Total livestock	7,085	7,021	-0.9	3,585	3,553	-0.9
Net Income Stabilisation Account	92	191	107.6	48	108	125.0
Crop insurance	86	47	-45.3	9	4	-55.6
Provincial stabilization	259	258	-0.4	174	174	=
Dairy subsidy	68	56	-17.6	31	24	-22.6
Other programs	36	127	252.8	16	90	462.5
Total payments	541	679	25.5	278	400	43.9

- Nil or zero.

Note: Figures may not add to totals due to rounding.

Provincial farm cash receipts

	Jan. to Jun. 1998	Jan. to Jun. 1998 ^p	JanJun. 1998 to JanJun. 1999	Apr. to Jun. 1998	Apr. to Jun. 1999 ^p	AprJun. 1998 to AprJun. 1999
	\$ million	S	% change	\$ million	าร	% change
Canada	14,658	14,373	-1.9	6,833	6,630	-3.0
Newfoundland	34	37	8.8	17	19	11.8
Prince Edward Island	171	192	12.3	87	90	3.4
Nova Scotia	166	166	-	80	81	1.3
New Brunswick	155	169	9.0	81	86	6.2
Quebec	2,355	2,452	4.1	1,320	1,366	3.5
Ontario	3,225	3,195	-0.9	1,599	1,567	-2.0
Manitoba	1,425	1,437	0.8	586	557	-4.9
Saskatchewan	2,936	2,658	-9.5	1,055	896	-15.1
Alberta	3,261	3,097	-5.0	1,501	1,437	-4.3
British Columbia	932	969	4.0	507	531	4.7

P preliminary data
- Nil or zero.

Note: Figures may not add to totals due to rounding

preliminary data. Includes Canadian Wheat Board payments.

OTHER RELEASES

Employment, earnings and hours

June 1999 (preliminary)

In June, average weekly earnings for all employees was estimated at \$609.89, virtually unchanged from the level in May. Average earnings have increased less than 1.0% in the past 12 months. This continues the trend of moderate earnings growth as the annual growth rate of average weekly earnings has been less than 2.0% since June 1997.

Average weekly earnings have increased for both hourly rated (+0.4) and salaried (+1.8%) employees since June 1998. During that same period, employees included in the "other employees" category recorded a 5.5% decline in average weekly earnings, with much of this drop caused by a fall in earnings for commissioned salespersons in finance and insurance industries.

Hourly rated employees in all industries worked an average of 31.5 hours (including overtime hours) in June, virtually unchanged from May. Average overtime hours for hourly rated employees also varied little from May.

The total number of employees on payrolls in June was almost unchanged from May. Employment gains in business services were offset by losses in construction, mining and transport and storage. Changes in employment in other industry groups were not significant.

Note: Beginning with the May 1998 release, Statistics Canada has completed the third phase of its redesign in the use of administrative records for the production of employment, earnings and hours estimates. With the change in methodology, employment estimates derived from administrative records may show a different seasonal pattern than the previous data, which were derived from survey questionnaires. The impacts on seasonal patterns due to this change in methodology can only be assessed over a longer time period. Statistics Canada will continue to monitor these impacts and will help users interpret its data. To minimize impacts, data from the Survey of Employment, Payrolls and Hours, particularly employment data, should be used in the context of longer time periods for detailed industry distributions.

Available on CANSIM: matrices 4285-4466, 9438-9452, 9639-9664 and 9899-9911.

Detailed industry data and other labour market indicators will be available in September through standard tables in the monthly publication *Employment, earnings and hours* (72-002-XPB, \$32/\$320). Annual averages for 1998 are now available through CANSIM, on diskette, CD-ROM, via the Internet and by custom tabulations from Labour Statistics Division.

For more information, or to enquire about the concepts, methods or data quality of this release, contact Jean Leduc (613-951-4090; fax: 613-951-4087; labour@statcan.ca), Labour Statistics Division.

Average weekly earnings for all employees

Industry group	June	May	June	May	June
(1980 Standard Industrial Classification)	1998	1999 ^r	1999 ^p	to	1998
				June	to
				1999	June
					1999

		seasonally adju-	sted				
_		\$		% chang	e		
Industrial aggregate	605.89	609.30	609.89	0.1	0.7		
Logging and forestry	760.92	766.09	776.34	1.3	2.0		
Mining, quarrying and oil wells	1,098.40	1,104.64	1,120.69	1.5	2.0		
Manufacturing	763.04	755.52	752.63	-0.4	-1.4		
Construction	684.79	695.34	693.19	-0.3	1.2		
Transportation and storage	737.41	741.77	742.53	0.1	0.7		
Communication and other utilities	810.07	817.13	817.14	0.0	0.9		
Wholesale trade	660.63	664.18	663.13	-0.2	0.4		
Retail trade	361.56	369.06	370.51	0.4	2.5		
Finance and insurance	808.13	806.41	824.35	2.2	2.0		
Real estate operators and insurance agencies	617.23	647.75	644.50	-0.5	4.4		
Business services	689.96	695.97	702.80	1.0	1.9		
Education-related services	662.36	657.83	657.54	0.0	-0.7		
Health and social services	519.11	526.77	526.02	-0.1	1.3		
Accommodation, food and beverage services	228.15	232.14	233.39	0.5	2.3		
Public administration	744.55	742.22	745.51	0.4	0.1		
Miscellaneous services	405.09	408.91	410.17	0.3	1.3		
Provinces and territories							
Newfoundland	528.78	550.11	551.52	0.3	4.3		
Prince Edward Island	470.04	480.76	484.21	0.7	3.0		
Nova Scotia	514.90	517.89	525.53	1.5	2.1		
New Brunswick	526.54	523.99	531.78	1.5	1.0		
Quebec	570.59	570.15	572.24	0.4	0.3		
Ontario	645.70	648.34	648.81	0.1	0.5		
Manitoba	537.78	543.26	543.59	0.1	1.1		
Saskatchewan	538.37	544.32	547.37	0.6	1.7		
Alberta	614.64	618.21	624.05	0.9	1.5		
British Columbia	618.04	626.89	622.73	-0.7	0.8		
Yukon	667.60	649.40	657.93	1.3	-1.4		
Northwest Territories and Nunavut	729.80	742.64	762.28	2.6	4.5		

Revised estimates. Preliminary estimates.

Number of employees

Industry group	April	May	June	April	May
(1980 Standard Industry Classification)	1999	1999 ^r	1999 ^p	to	to
				May	June
				1999	1999

		seasonall	y adjusted		
_		thousands		% change	
Industrial aggregate	11,771	11,782	11,795	0.1	0.1
Logging and forestry	66	65	65	-1.5	0.0
Mining, quarrying and oil wells	136	136	133	0.0	-2.2
Manufacturing	1,880	1,886	1,888	0.3	0.1
Construction	528	525	516	-0.6	-1.7
Transportation and storage	501	502	498	0.2	-0.8
Communication and other utilities	377	383	382	1.6	-0.3
Wholesale trade	758	759	759	0.1	0.0
Retail trade	1,448	1,446	1,445	-0.1	-0.1
Finance and insurance	524	527	530	0.6	0.6
Real estate operators and insurances agencies	200	199	201	-0.5	1.0
Business services	841	848	857	0.8	1.1
Education-related services	929	931	930	0.2	-0.1
Health and social services	1,212	1,213	1,214	0.1	0.1
Accommodation, food and beverage services	845	845	844	0.0	-0.1
Public administration	677	678	678	0.1	0.0
Miscellaneous services	694	695	697	0.1	0.3
Provinces and territories					
Newfoundland	154	154	154	0.0	0.0
Prince Edward Island	50	50	51	0.0	2.0
Nova Scotia	331	329	328	-0.6	-0.3
New Brunswick	268	266	263	-0.7	-1.1
Quebec	2,787	2,785	2,774	-0.1	-0.4
Ontario	4,631	4,650	4,665	0.4	0.3
Manitoba	459	457	459	-0.4	0.4
Saskatchewan	355	353	355	-0.6	0.6
Alberta	1,213	1,216	1,216	0.2	0.0
British Columbia	1,488	1,481	1,489	-0.5	0.5
Yukon	16	15	15	-6.3	0.0
Northwest Territories and Nunavut	27	27	26	0.0	-3.7

r Revised estimates.

Cereals and oilseeds review

June 1999

Data from the June issue of *Cereals and oilseeds review* are now available. The information includes data on production, stocks, cash and futures prices, crop quality, domestic processing, exports, farmers' deliveries and supply-disposition analyses.

The July situation report, an overview of current market conditions, both domestic and international, is also included in the June issue of *Cereals and oilseeds review* (22-007-XPB, \$15/\$149), which will be available in early September. See *How to order publications*.

For more information, or to enquire about the concepts, methods or data quality for this release, contact Karen Gray (204-983-2856; karen.gray@statcan.ca) or Les Macartney

(613-951-8714; les.macartney@statcan.ca), Grain Marketing Unit, Agriculture Division ■

Mineral wool including fibrous glass insulation

July 1999

Manufacturers shipped 1 794 005 square metres of R12 factor (RSI 2.1) mineral wool batts in July, down 19.2% from 2 221 159 square metres a year earlier and up 3.0% from 1 741 472 square metres a month earlier.

Year-to-date shipments to the end of July totalled 17 419 483 square metres, a 3.4% decrease from the same period in 1998.

Preliminary estimates.

Available on CANSIM: matrices 40 and 122 (series 32 and 33).

The July issue of *Mineral wool including fibrous glass insulation* (44-004-XIB,\$5/\$47) will be available shortly. See *How to order publications*.

For more information, or to enquire about the concepts, methods and data quality of this release, contact Bob Traversy (613-951-3531; travrob@statcan.ca), Manufacturing, Construction and Energy Division.

Postal area profiles

1997

Postal area profiles, a databank profiling more than 5,000 communities across Canada, is now available. Based on 1997 tax records filed in the spring of 1998, these data are ideal for supporting policy analysis as they provide a comprehensive picture of communities.

The profiles consist of five tables which include information on taxfilers and dependants, selected sources of income of individuals, labour force participation, economic dependency on transfer payments and family characteristics. Data on each community can be compared with provincial and national figures to show how communities fit into the broader picture. These data can also be used to assess trends over the past four years.

High standards of confidentiality ensure that no individual or family can be identified from these profiles.

To order *Postal area profiles*, or to enquire about the concepts, methods and data quality for this release, contact Client Services (613-951-9720; fax: 613-951-4745; *saadinfo@statcan.ca*), Small Area and Administrative Data Division.

PUBLICATIONS RELEASED

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The dairy review, April-June, 1999 Catalogue number 23-001-XIB

(Canada: \$27/\$89).

The dairy review, April-June, 1999 Catalogue number 23-001-XPB

(Canada: \$36/\$119; outside Canada: US\$36/US\$119).

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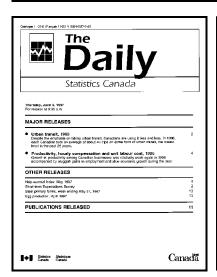
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